

**INDIANA ARTS COMMISSION
QUARTERLY BUSINESS MEETING**

Lincoln State Park, Spencer County

Friday June 12, 2009

11:30 a.m. CDT

Richard Stifel, Chair

Minutes

Members present: Richard Stifel, Jeanne Mirro, Sandra Clark, Karen Ellerbrook, Gilberto Cárdenas, Judy Hess, Irene Smith-King, Earl Williams, Suzie Rentschler, Pam Hicks, Steve Tuchman

Members absent: Kelly Schreckengast, Ron Stratten, Bill Hopper

Guests: Jan Shupert-Arick, Regional Arts Partners chair

IAC Staff present: Lewis Ricci, Michelle Anderson, Bobbie Garver, Dennis Hardin

Mr. Stifel called the meeting to order at 12:08 p.m. CDT and announced that the commission would meet in executive session prior to the business meeting. He asked all guests and spectators to excuse themselves.

Summary of Executive Session. Mr. Ricci reported on the independent review of the Bloomington Area Arts Council, the IAC Regional Arts Partner in Region 8. Eric Rogers, Executive Director of Arts Place, conducted a review of BAAC Programs and Services, and Don Koverman of the Purdue Center for Regional Development conducted a review of Management and Leadership. Kevin McCray of First Source Bank is conducting a financial analysis which is not yet complete. Mr. Ricci presented a print-out summarizing the findings of Mr. Rogers and Mr. Koverman. (A complete written report is available). Both reviewers found the BAAC to be struggling in key areas of its role as a Regional Arts Partner. An open discussion of possible commission actions followed. Ultimately a motion was formulated which will be brought to the business meeting.

1. **Welcome and Introductions.** Mr. Stifel convened the meeting at 12:43 p.m. CDT, and asked everyone to introduce themselves. He thanked Karen Ellerbrook, commissioner from Evansville, for providing a “wonderful weekend” of events surrounding the quarterly meeting.

2. **Consent Agenda.** Ms. Clark moved to adopt the consent agenda. Ms. Mirro seconded. Motion passed.

3. **Chair’s Report**

A. Governor’s Office Issues. Nominations status. Mr. Stifel reported that a list of 13 potential commissioners has been forwarded to the Governor’s office. To date there have been

no new appointments to the commission. Mr. Stifel urged commissioners to continue to identify individuals who would serve well as members of the commission.

B. Regional Partnership Issues

1. Arts Council of Southern Indiana – Suspension. Mr. Stifel reported that the Regional Arts Partnership with the Arts Council of Southern Indiana has been suspended due to the collapse of ACSI's internal structure and possible dismissal of paid staff. Mr. Ricci reported that the Region 9 Arts Partner, Columbus Area Arts Council, has been contracted to conduct a panel review of the FY2010 Region 12 applications formerly conducted by ACSI. He remarked that it will be up to the commission whether to seek another agency to become Regional Arts Partner in Region 12.

2. Bloomington Area Arts Council – Current Review. Mr. Stifel requested a motion for action as a result of the independent review conducted of the BAAC. Mr. Tuchman moved as follows: "There is a sense of the commission that the Regional Arts Partnership relationship between the Indiana Arts Commission and the Bloomington Area Arts Council is impaired, based upon an evaluation of the reports received to date from engaged independent evaluators and the RAP panel score; further, the commission empowers the executive committee to review all available evidence, including the financial analyses yet to be delivered, to make a decision on retaining, amending, or dissolving the Partnership relationship on behalf of the whole commission." Mr. Cárdenas seconded. Motion passed.

3. Arts Council of Southwestern Indiana and Arts United – Possible Additional Reviews. Mr. Stifel reported that in addition to the Bloomington Area Arts Council, two other Regional Arts Partners received a score below 80 in the recent partnership application panel review. Mr. Stifel believes it establishes a positive precedent to invoke an independent review of any current Regional Arts Partner that receives a score below 80 in application panel review. Mr. Ricci explained that a desired timetable would be during the first quarter of FY2010. Ms. Hess moved to authorize IAC to proceed with independent reviews of Arts Council of Southwestern Indiana and Arts United, such reviews to be conducted during the first quarter of FY2010. Ms. Rentschler seconded. Motion passed. Mr. Stifel recommended that this occasion be used to establish a template for conducting such reviews.

C. FY2010 Budget Scenarios. Mr. Stifel explained the uncertainty of the FY2010 state budget, with the legislature meeting in special session to resolve the budget. Mr. Ricci presented print-outs (attached) showing possible IAC budgets based upon 8%, 10%, 15% and 50% reductions for FY2010. Mr. Stifel asked the commission to approve the budget scenarios for 8%, 10%, and 15% reductions. Ms. Mirro added that any final state budget which calls for more than a 15% reduction will need to be approved by a special session of the commission. Ms. Hicks moved to adopt the 8%, 10%, and 15% budget-reduction scenarios. Mr. Cárdenas seconded. Motion passed. Ms. Hess moved to authorize a special session of the commission to be convened if the final state budget exceeds the approved range of 8% - 15% reduction. Ms. Rentschler seconded. Motion passed.

D. Officer Nominations and Elections for FY2010. The nomination slate approved by the executive committee is Jeanne Mirro for Chair and Karen Ellerbrook for Vice-Chair. Mr. Tuchman nominated Irene Smith-King for the office of Secretary. Ms. Hess moved that the nominations be approved. Ms. Clark seconded. Mr. Stifel asked for a show of hands in favor. All in favor. Motion passed.

E. Committee preferences. Mr. Stifel asked all members to express their preferences for committee assignments for the coming year by filling out the distributed questionnaire and

returning it to the chair. Committee assignments will be made by the beginning of the new fiscal year.

4. Executive Director's Report

A. Year-to-Date Financial Activity. Mr. Ricci presented a print-out (attached), prepared by Deputy Director Michelle Anderson, showing projected end-of-year budget numbers for FY09. IAC will finish the year within budget. Mr. Ricci thanked Ms. Anderson for her good work throughout the year to maintain the IAC budget.

B. American Reinvestment and Recovery Funds. Mr. Ricci reported that 80 organizations submitted applications through IAC for ARRA funding to support staff positions. IAC will be able to fund 14 applications. These applications were paneled on June 2 by the Program Evaluation Committee, augmented by Jenny Guimont from Region 5 and Pam Nicholas from Region 7. Mr. Ricci remarked about the impact of the current economic crisis on arts organizations. Approval of the highest-scoring applications will occur under agenda item # 5b.

C. Capacity Building Efforts (with Arts Midwest). Mr. Ricci reminded everyone that IAC has suspended its own Capacity Building Program grants, in order to focus available funding on the greater need to provide assistance to a broader range of difficulties being experienced by arts organizations state-wide. IAC has undertaken a partnership with Arts Midwest to develop and provide "Toolkit" seminars for struggling organizations. In conjunction with the IU School on Philanthropy and others, an "organizational toolkit" will focus on fundraising and alternate business models. Another "toolkit" seminar will be developed for funders and investors. A third approach will involve Community Planning seminars, demonstrating techniques of mergers, acquisitions, etc., in the arts and non-profit sector.

D. Cultural District Application Update. Mr. Ricci reported that the deadline for letters of intent for cultural district applications is June 30. Six communities have filed letters of intent. The application deadline will be August 7, 2009.

E. Indiana Artisan Program Update. Mr. Ricci presented a print-out prepared by Eric Freeman, manager of the Artisan Development Program (attached). The latest jury was held in May and 33 new artisans have been added to the project. Negotiations are underway with the Indiana State Museum to provide a marketplace and on-line ordering for artisan goods. The Indiana State Museum was invited to become a full partner in the Artisan Development Program, along with the Arts Commission, the Office of Community and Rural Affairs, and the Office of Tourism. Ms. Clark inquired about funding for the program beyond FY2009; Mr. Ricci assured everyone that funding is available through FY2010.

5. Committee Reports.

A. Committee on the Future. Chair Sandi Clark reported that the new strategic planning process is underway, and discussed differences in the approach from previous planning processes. She presented a print-out (attached) from the School of Public and Environmental Affairs at Indiana University: "Nonprofit Capacity Assessment: Indiana's Arts and Culture Organizations, 2009" Information from this survey report will be taken to the field as the strategic planning process goes along. An on-line survey is being planned for public input, and will also be available at art fairs and cultural events. Mr. Ron Stratten is donating his services as consultant for the new strategic plan.

B. Program Evaluation Committee. Chair Karen Ellerbrook thanked the members of the PEC for their time and effort at the June 1 – 2 panels. She presented a print-out (attached) of the committee report. Mr. Ricci also presented print-outs (attached) showing the impact that 8%, 10% and 15% budget cuts will have on granting amounts in the various categories (Regional Arts Partners, Majors, Statewide Arts Service Organizations, American Masterpieces, Presenter's Touring Program, and Individual Artists). He asked that the commission approve all three possible granting scenarios, reminding everyone that a state budget which invokes more than a 15% budget cut for the Arts Commission will require a special session of the commission. Mr. Tuchman moved to adopt the proposed grant scenarios, pending final state budget figures. Ms. Hess seconded. Motion passed. Ms. Ellerbrook then presented a print-out (attached) showing the scoring and ranking of applications for funding under the American Recovery and Reinvestment Act. The 14 top-scoring applications are to be approved, with an additional 2 applications as alternates in case one or more of the higher-scoring applicants also is approved for direct funding from the National Endowment for the Arts. Mr. Tuchman moved to approve the recommendation of the Program Evaluation Committee. Ms. Rentschler seconded. Motion passed.

C. Advocacy & Awareness Committee. Chair Jeanne Mirro reported on the upcoming Governor's Arts Awards. The program is scheduled for Friday September 25 at Cornerstone Center for the Arts in Muncie. The Governor has agreed to appear at the ceremonies. India Cruse-Griffin has been approved as the artist to create the awards. There were 63 nominations for the 2009 awards. The recipients have not yet been made public, pending their acceptance and ability to attend. There will be adjunct events held in Muncie on Thursday September 24. IAC has entered into a contract with Cornerstone Arts to produce the program, with IAC retaining creative control. Ms. Mirro also thanked everyone for their work during the 2009 legislative session, although the state budget has not been finalized. She remarked that advocates "can never stop advocating".

D. Cultural Trust Advisory Board. Chair Steve Tuchman presented the current CTAB report (attached) showing a Trust Fund balance of \$1,656,342.06 as of April 30, 2009. License plate sales are down from previous years.

6. **Regional Arts Partners.** Chair Jan Shupert-Arick reported on the RAP meeting held on June 11. The partners are investigating insurance possibilities for individual artists. Concern is high among RAPs for the Partnership program to remain intact in the event of budget cuts on the state level. She remarked that the partnerships with IAC are highly valued among the Partners.

7. **Old business.** Ms. Anderson reminded all members to turn in any receipts for travel expenses for reporting in the FY09 budget.

8. **New business.** A print-out with meeting dates through June 2010 was presented (attached). Mr. Cárdenas thanked outgoing Chair Mr. Stifel for his service.

9. **Closing Comments.** Mr. Stifel recounted his pleasure and pride in serving as commission chair for the past two years. Incoming Chair Jeanne Mirro remarked about the challenges which lie ahead for the commission.

10. **Adjourn.** Ms. Clark moved to adjourn. Ms. Ellerbrook seconded. Motion passed. Meeting adjourned at 2:08 p.m. CDT.